

Steven Puiszis Discusses Risk Management and Insurance Carrier Concerns Presented by Lawyer Use of Generative Artificial Intelligence

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Hinshaw partner Steven Puiszis, who serves as the Firm's General Counsel, discussed with *AmLaw Legaltech News* the risk management and ethical concerns presented by the use of the generative AI tool, ChatGPT, in law firms. The article references a memo sent by Attorneys' Liability Assurance Society Ltd. (ALAS) to their policyholders, warning law firms that use the GPT-powered chatbot comes with significant legal risks.

A lawyer's duty of competence under the Rules of Professional Conduct requires that the lawyer understand the risks and benefits of technologies used in providing legal services. Puiszis said that the risks associated with the use of ChatGPT by lawyers and firms include potential data privacy concerns and the duty to maintain the confidentiality of client information. Additionally, generative AI has been known to "hallucinate," draft plausible-sounding quotes for which there is no source, and incorrectly answer legal questions. The data set on which ChatGPT dates back to 2021 and, as a result, can miss recent developments. He stated that these and other risks are substantial enough to warrant a stream of risk management memos similar to the one put out by ALAS. He added that while the ABA model rules generally address technology use, "as you get more and more into it, you realize that the risks of generative AI tools are significantly different than the risks associated with other technologies" used by lawyers.

Puiszis' comments in "An Insurer Sent Law Firms a ChatGPT Warning. It Likely Won't Be the Last" were also highlighted in the April 17, 2023 *Law.com* "Morning Minute" newsletter.

[Read "An Insurer Sent Law Firms a ChatGPT Warning. It Likely Won't Be the Last" \(subscription required\)](#)

[Read the "Morning Minute"](#)

"An Insurer Sent Law Firms a ChatGPT Warning. It Likely Won't Be the Last" was published by *AmLaw Legaltech News* on April 13, 2023.

“Morning Minute” was published by *Law.com* on April 17, 2023.

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